



Sean Rogan
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

ADOPTED

Community Development Commission

October 05, 2010

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The Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Commissioners:

**APPROVE ADMINISTRATION OF THE SOUTHERN CALIFORNIA HOME FINANCING
AUTHORITY BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS
ANGELES
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This letter recommends approval of the administration of the Southern California Home Financing Authority (SCHFA) by the Community Development Commission of the County of Los Angeles (Commission) on behalf of the County of Los Angeles (County), a member of SCHFA's Governing Board. The letter relates to another item being presented to the Board of Supervisors requesting approval of a resolution authorizing the Amended and Restated Joint Exercise of Powers Agreement (JPA) for SCHFA. SCHFA is a joint powers authority between Los Angeles and Orange Counties formed in June 1988 to issue tax-exempt mortgage revenue bonds for low and moderate-income first-time homebuyers. Approval of these actions will allow the Commission to administer the SCHFA program.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Accept delegated authority from the County, as a member of the Governing Board of SCHFA, for the Commission to act as an agent of the County as may be necessary to administer SCHFA for the County.
2. Authorize the Executive Director, or his designee, to be the Chair's designee for SCHFA.
3. Find that approval of the administration of the SCHFA by the Commission is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action is not defined as a

project under CEQA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of these actions is to authorize the Commission to accept the County's delegated authority to administer SCHFA on behalf of the County and to authorize the Commission's Executive Director, or his designee, to be the Chair's designee for SCHFA.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In June 1988, the Board of Supervisors approved a Joint Exercise of Powers Agreement that created SCHFA, a Joint Powers Authority of Los Angeles and Orange Counties, to issue tax-exempt mortgage revenue bonds, except in the City of Los Angeles, for low and moderate-income first-time homebuyers. Since its inception, working with private lenders, SCHFA has made over 7,500 loans for first-time homebuyers and issued over \$1.1 billion in tax-exempt single-family mortgage revenue bonds.

The current JPA provides that restrictions affecting administrative authority are no different than those imposed upon the County of Los Angeles in the exercise of similar powers, as provided in Section 6509 of the Joint Powers Law. The Commission has historically carried out the functions of SCHFA on behalf of the County. The requested action will formalize the use of the Commission's standards and procedures in exercising these powers.

In November 1997, the Board of Supervisors adopted a Resolution authorizing that the presiding Chair of the Board of Supervisors shall automatically succeed to the position as Member of the Governing Board of SCHFA. The Resolution further authorized the SCHFA Member. The Board of Supervisors encouraged delegation of the position to the Executive Director of the Community Development Commission. The proposed action is consistent with this Policy by formally naming the Executive Director as the SCHFA Member's designee.

The JPA permits the use of the Commission's standards and procedures, including but not limited to the Commission's procurement and investment policies; assures that SCHFA's assets will be kept at levels that maintain a positive financial position and meets its financial obligations; and confirms SCHFA's ability to finance and refinance multifamily rental projects.

Additionally, the Governing Board of SCHFA desires that the Office of County Counsel of the County of Los Angeles maintain its role as legal advisor to SCHFA.

ENVIRONMENTAL DOCUMENTATION

These activities are exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because they involve administrative activities that will not have a physical impact on or result in any physical changes to the environment. The activities are not subject to the provisions of the California Environmental Quality Act (CEQA)

pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These actions will formalize the Commission's administration of SCHFA.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN
Executive Director

SR:gk